

Honolulu, Hawaii

FEB 09 2007

RE: S.B. No. 1497
S.D. 1

Honorable Colleen Hanabusa
President of the Senate
Twenty-Fourth State Legislature
Regular Session of 2007
State of Hawaii

Madam:

Your Committee on Economic Development and Taxation, to which
was referred S.B. No. 1497 entitled:

"A BILL FOR AN ACT RELATING TO CONFORMITY OF THE HAWAII
INCOME TAX LAW TO THE INTERNAL REVENUE CODE,"

begs leave to report as follows:

The purpose of this short form bill is to amend Hawaii's
income tax law to conform to changes to the Internal Revenue Code.

Your Committee finds that this bill would bring Hawaii tax
law into compliance with the following federal acts, which were
enacted in 2006, and amended the Internal Revenue Code:

- (1) The Tax Increase Prevention and Reconciliation Act of
2005. (P.L. No. 109-222; May 17, 2005);
- (2) The Heroes Earned Retirement Opportunity Act of 2006.
(P.L. No. 109-227; May 29, 2006);
- (3) The Pension Protection Act of 2006. (P.L. No. 109-280;
August 17, 2006);
- (4) An Act to Complete the Codification of Title 46, United
States Code, "Shipping", as positive law. (P.L. No.
109-304; October 6, 2006); and
- (5) The Tax Provisions of the Tax Relief and Health Care Act
of 2006. (P.L. No. 109-432; December 20, 2006).



Your Committee has amended this bill by amending section 235-2.3(a), Hawaii Revised Statutes, to replace the date December 31, 2005, with December 31, 2006.

As affirmed by the record of votes of the members of your Committee on Economic Development and Taxation that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1497, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1497, S.D. 1, and be recommitted to the Committee on Economic Development and Taxation, for further consideration.

Respectfully submitted on
behalf of the members of the
Committee on Economic
Development and Taxation,


CAROL FUKUNAGA, Chair



The Senate
 Twenty-Fourth Legislature
 State of Hawaii

Record of Votes
Committee on Economic Development and Taxation
EDT

Bill / Resolution No.:*	Committee Referral:	Date:		
<i>SB 1497</i>	<i>EDT, WAM</i>	<i>2/8/2007</i>		
<input type="checkbox"/> The committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____				
The Recommendation is:				
<input type="checkbox"/> Pass, unamended 2312	<input checked="" type="checkbox"/> Pass, with amendments 2311	<input type="checkbox"/> Hold 2310		
		<input checked="" type="checkbox"/> Recommit 2313		
Members	Aye	Aye (WR)	Nay	Excused
FUKUNAGA, Carol (C)	✓			
ESPERO, Will (VC)				✓
ENGLISH, J. Kalani	✓			
IGE, David Y.	✓			
SLOM, Sam	✓			
TOTAL	4			1
Recommendation:				
<input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature:				
<i>David Y. Ige</i>				
Distribution:				
Original	Yellow	Pink		
File with Committee Report	Clerk's Office	Drafting Agency		

*Only one measure per Record of Votes